


| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING | | | | | | FORM 3 AMENDED REPORT <input checked="" type="checkbox"/> | | | | |
|--|-----------|------------------|--|---|--|--|-------------------------|----------|-------|--------|
| APPLICATION FOR PERMIT TO DRILL | | | | | | 1. WELL NAME and NUMBER UTE 23-1A-4-1 | | | | |
| 2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> | | | | | | 3. FIELD OR WILDCAT UNDESIGNATED | | | | |
| 4. TYPE OF WELL Oil Well Coalbed Methane Well: NO | | | | | | 5. UNIT or COMMUNITIZATION AGREEMENT NAME | | | | |
| 6. NAME OF OPERATOR FINLEY RESOURCES INC | | | | | | 7. OPERATOR PHONE 817 231-8735 | | | | |
| 8. ADDRESS OF OPERATOR PO Box 2200, Fort Worth, TX, 76113 | | | | | | 9. OPERATOR E-MAIL awilkerson@finleyresources.com | | | | |
| 10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) 14-20-H62-4902 | | | 11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> | | | 12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> | | | | |
| 13. NAME OF SURFACE OWNER (if box 12 = 'fee') Coleman Mountain Holdings, LLC | | | | | | 14. SURFACE OWNER PHONE (if box 12 = 'fee') 435-6712421 | | | | |
| 15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') P.O. Box 610, 610 N. Mesa Circle, Roosevelt, UT 84066 | | | | | | 16. SURFACE OWNER E-MAIL (if box 12 = 'fee') | | | | |
| 17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') | | | 18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/> | | | 19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/> | | | | |
| 20. LOCATION OF WELL | | FOOTAGES | | QTR-QTR | SECTION | TOWNSHIP | RANGE | MERIDIAN | | |
| LOCATION AT SURFACE | | 623 FNL 1007 FEL | | NENE | 23 | 4.0 S | 1.0 E | U | | |
| Top of Uppermost Producing Zone | | 623 FNL 1007 FEL | | NENE | 23 | 4.0 S | 1.0 E | U | | |
| At Total Depth | | 623 FNL 1007 FEL | | NENE | 23 | 4.0 S | 1.0 E | U | | |
| 21. COUNTY UINTAH | | | 22. DISTANCE TO NEAREST LEASE LINE (Feet) 623 | | | 23. NUMBER OF ACRES IN DRILLING UNIT 40 | | | | |
| | | | 25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 850 | | | 26. PROPOSED DEPTH MD: 8000 TVD: 8000 | | | | |
| 27. ELEVATION - GROUND LEVEL 5153 | | | 28. BOND NUMBER RLB0011294 | | | 29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-8496 | | | | |
| Hole, Casing, and Cement Information | | | | | | | | | | |
| String | Hole Size | Casing Size | Length | Weight | Grade & Thread | Max Mud Wt. | Cement | Sacks | Yield | Weight |
| COND | 17.5 | 13.375 | 0 - 60 | 48.0 | H-40 ST&C | 0.0 | Class G | 41 | 1.17 | 15.8 |
| SURF | 12.25 | 8.625 | 0 - 500 | 24.0 | J-55 ST&C | 8.6 | Class G | 359 | 1.15 | 15.8 |
| PROD | 7.875 | 5.5 | 0 - 8000 | 15.5 | J-55 LT&C | 9.5 | 50/50 Poz | 873 | 1.24 | 13.2 |
| ATTACHMENTS | | | | | | | | | | |
| VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES | | | | | | | | | | |
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | | | | | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN | | | | | |
| <input checked="" type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) | | | | | <input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER | | | | | |
| <input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | | | | | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP | | | | | |
| NAME Don Hamilton | | | | TITLE Agent | | | PHONE 435 719-2018 | | | |
| SIGNATURE | | | | DATE 12/06/2012 | | | EMAIL starpoint@etv.net | | | |
| API NUMBER ASSIGNED 43047533800000 | | | | APPROVAL  Permit Manager | | | | | | |

Finley Resources, Inc.
UTE 23-1A-4-1
623' FNL & 1007' FEL, NE/4 NE/4, Sec 23, T4S, R1E, U.S.B.&M.
Uintah County, UT

Drilling Program

1. Formation Tops

| | |
|---------------|--------|
| Surface | 5,154' |
| Green River | 2,237' |
| Black Shale | 6,299' |
| Uteland Butte | 6,847' |
| Wasatch | 6,992' |
| TD | 8,000' |

2. Depth to Oil, Gas, Water, or Minerals

| | | |
|---------------|-----------------|-------|
| Black Shale | 6,299' - 6,847' | (Oil) |
| Uteland Butte | 6,847' - TD | (Oil) |

Fresh water may be encountered in the Duchesne Formation, but is not expected below about 300'.

3. Pressure Control

Section BOP Description

Surface 12-1/4" diverter

Interm/Prod The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc for a 5M system.

A 5M BOP system will consist of 2 ram preventers (double or two singles) and an annular preventer (see attached diagram). A choke manifold rated to at least 5,000 psi will be used.

4. Casing

| Description | Interval | | Weight (ppf) | Grade | Coup | Pore Press @ Shoe | MW @ Shoe | Frac Grad @ Shoe | Safety Factors | | |
|---------------------|----------|--------|--------------|-------|------|-------------------|-----------|------------------|----------------|----------|---------|
| | Top | Bottom | | | | | | | Burst | Collapse | Tension |
| Conductor 13 3/8 | 0' | 60' | 48 | H-40 | STC | -- | -- | -- | 1,730 | 770 | 322,000 |
| | | | | | | | | | -- | -- | -- |
| Surface 8 5/8 | 0' | 500' | 24 | J-55 | STC | 8.33 | 8.6 | 11 | 2,950 | 1,370 | 244,000 |
| | | | | | | | | | 11.59 | 8.25 | 20.33 |
| Production 5 1/2 | 0' | 8,000' | 15.5 | J-55 | LTC | 9 | 9.5 | 11 | 4,810 | 4,040 | 217,000 |
| | | | | | | | | | 1.63 | 1.28 | 1.75 |

Assumptions:

Surface casing MASP = (frac gradient + 1.0 ppg) - (gas gradient)

Intermediate casing MASP = (reservoir pressure) - (gas gradient)

Production casing MASP = (reservoir pressure) - (gas gradient)

All collapse calculations assume fully evacuated casing with a gas gradient

All tension calculations assume air weight of casing

Gas gradient = 0.1 psi/ft

All casing shall be new. Top Joint of surface casing will be J-55 STC 32 ppf casing.

All casing strings shall have a minimum of 1 centralizer on each of the bottom 3 joints.

5. Cement

| Job | Hole Size | Fill | Slurry Description | ft ³ | OH excess | Weight (ppg) | Yield (ft ³ /sk) |
|-----------------|-----------|--------|---|-----------------|-----------|--------------|-----------------------------|
| | | | | sacks | | | |
| Conductor | 17 1/2 | 60' | Class G w/ 2% KCl + 0.25 lbs/sk Cello Flake | 48 | 15% | 15.8 | 1.17 |
| | | | | 41 | | | |
| Surface Lead | 12 1/4 | 500' | Class G w/ 2% KCl + 0.25 lbs/sk Flocele | 413 | 100% | 15.8 | 1.15 |
| | | | | 359 | | | |
| Production Tail | 7 7/8 | 5,000' | 50/50 Poz/Class G w/ 3% KCl + 2% bentonite | 1083 | 25% | 13.2 | 1.24 |
| | | | | 873 | | | |

The surface casing will be cemented to surface. In the event that cement does not reach surface during the primary cement job, a remedial job will be performed.

Actual cement volumes for the production casing string will be calculated from an open hole caliper log, plus 25% excess.

6. Type and Characteristics of Proposed Circulating Medium

| <u>Interval</u> | <u>Description</u> |
|-----------------|--|
| Surface - 500' | An air and/or fresh water system will be utilized. |
| 500' - TD | A water based mud system will be utilized. Hole stability may be improved with additions of KCl or a similar inhibitive substance. In order to control formation pressure the system will be weighted with additions of bentonite, and if conditions warrant, with barite. Anticipated maximum mud weight is 9.5 ppg. |

7. Logging, Coring, and Testing

Logging: A dual induction, gamma ray, and caliper log will be run from TD to the base of the surface casing. A compensated neutron/formation density log will be run from TD to the top of the Garden Gulch formation. A cement bond log will be run from PBTD to the cement top behind the production casing.

Cores: As deemed necessary.

DST: There are no DST's planned for this well.

8. Anticipated Abnormal Pressure or Temperature

Maximum anticipated bottomhole pressure will be approximately equal to total depth (feet) multiplied by a 0.47 psi/ft gradient.

$$8,000' \times 0.47 \text{ psi/ft} = 3744 \text{ psi}$$

No abnormal temperature is expected. No H₂S is expected.

9. Other Aspects

This is planned as a vertical well.

Variance Request for FIT Requirements:

Finley Resources, Inc. respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the Pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

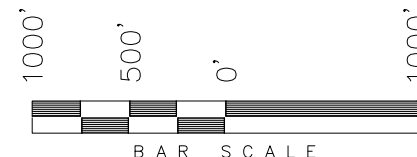
Variance Request for Air Drilling Requirements:

Finley Resources, Inc. respectfully requests a variance to Onshore Order #2, III.E.1

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100' from the well bore. Variance granted for blooie line discharge to be 75' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the wellbore. Variance granted for truck/trailer mounted air compressors.
- Straight run blooie line. Variance granted for targeted "T's" at bends.
- Automatic igniter. Variance granted for igniter due to water mist.
- Air drilling operations will be conducted only during drilling of the surface casing hole, there is no history of hydrocarbons being encountered in this hole section in the area where these wells are to be drilled.

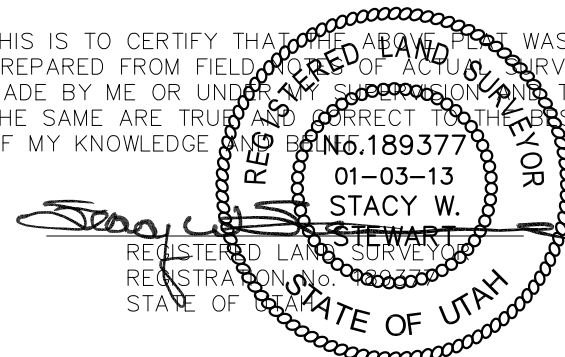
T4S, R1E, U.S.B.&M.**FINLEY RESOURCES INC.**

WELL LOCATION, UTE 23-1A-4-1,
LOCATED AS SHOWN IN THE NE 1/4
NE 1/4 OF SECTION 23, T4S, R1E,
U.S.B.&M. UINTAH COUNTY, UTAH.

**NOTES:**

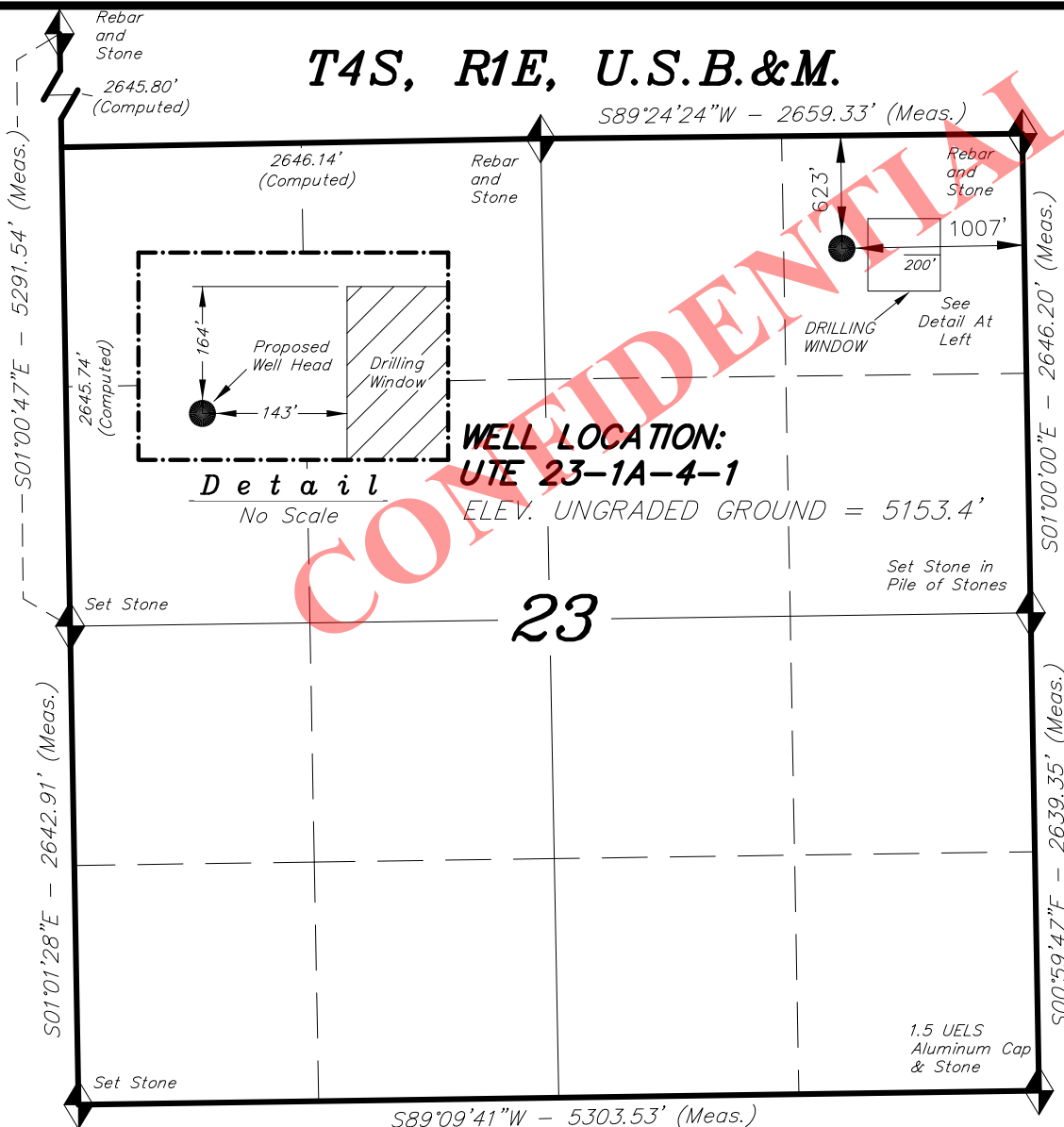
1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST
OF MY KNOWLEDGE AND BELIEF.

**TRI STATE LAND SURVEYING & CONSULTING**

180 NORTH VERNAL AVE. — VERNAL, UTAH 84078
(435) 781-2501

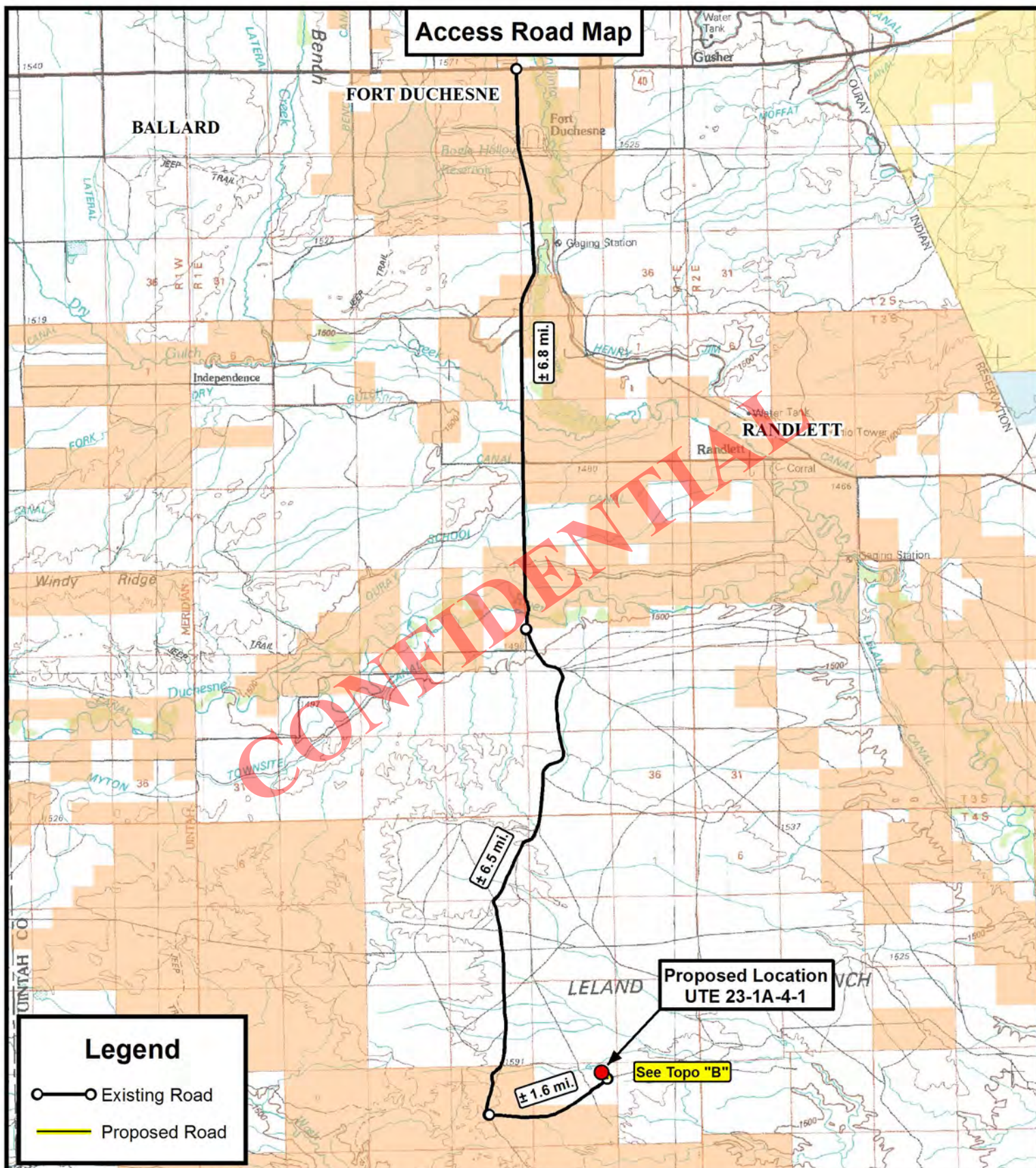
| | |
|----------------------------|-------------------|
| DATE SURVEYED: 10-01-12 | SURVEYED BY: Q.M. |
| DATE DRAWN: 10-26-12 | DRAWN BY: L.C.S. |
| REVISED: 01-03-13 M.W. | SCALE: 1" = 1000' |



= SECTION CORNERS LOCATED

BASIS OF ELEV; Elevations are based on
an N.G.S. OPUS Correction. LOCATION:
LAT. 40°04'09.56" LONG. 110°00'43.28"
(Tristate Aluminum Cap) Elev. 5281.57'

UTE 23-1A-4-1
(Surface Location) NAD 83
LATITUDE = 40° 07' 34.36"
LONGITUDE = 109° 50' 38.41"



**Tri State
Land Surveying, Inc.**

180 NORTH VERNAL AVE. VERNAL, UTAH 84078

P: (435) 781-2501
F: (435) 781-2518



FINLEY RESOURCES INC.

UTE 23-1A-4-1

SEC. 23, T4S, R1E, U.S.B.&M.
Uintah County, UT.

| | | | |
|-----------|------------|----------|-----------------|
| DRAWN BY: | A.P.C. | REVISED: | 01-03-13 A.P.C. |
| DATE: | 11-06-2012 | | |
| SCALE: | 1:100,000 | | |

TOPOGRAPHIC MAP

SHEET

A

Access Road Map

Fort Duchesne ± 13.3 mi.Proposed Location
UTE 23-1A-4-1 $\pm 544'$ COLEMAN
BROS LTD

L E L A N D

 ± 1.6 mi.

Legend

- Existing Road
- Proposed Road

THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.



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UTE 23-1A-4-1
SEC. 23, T4S, R1E, U.S.B.&M.
Uintah County, UT.

| | | | |
|-----------|-------------|----------|-----------------|
| DRAWN BY: | A.P.C. | REVISED: | 01-03-13 A.P.C. |
| DATE: | 11-06-2012 | | |
| SCALE: | 1" = 2,000' | | |

TOPOGRAPHIC MAP

SHEET

B

Proposed Pipeline Map




Proposed Location
UTE 23-1A-4-1

Tie in at Proposed
Gas Pipeline

COLEMAN
BROS LTD

± 1,892'

Legend

-  Existing Road
-  Proposed Road
-  Proposed Gas Pipeline

THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.



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FINLEY RESOURCES INC.

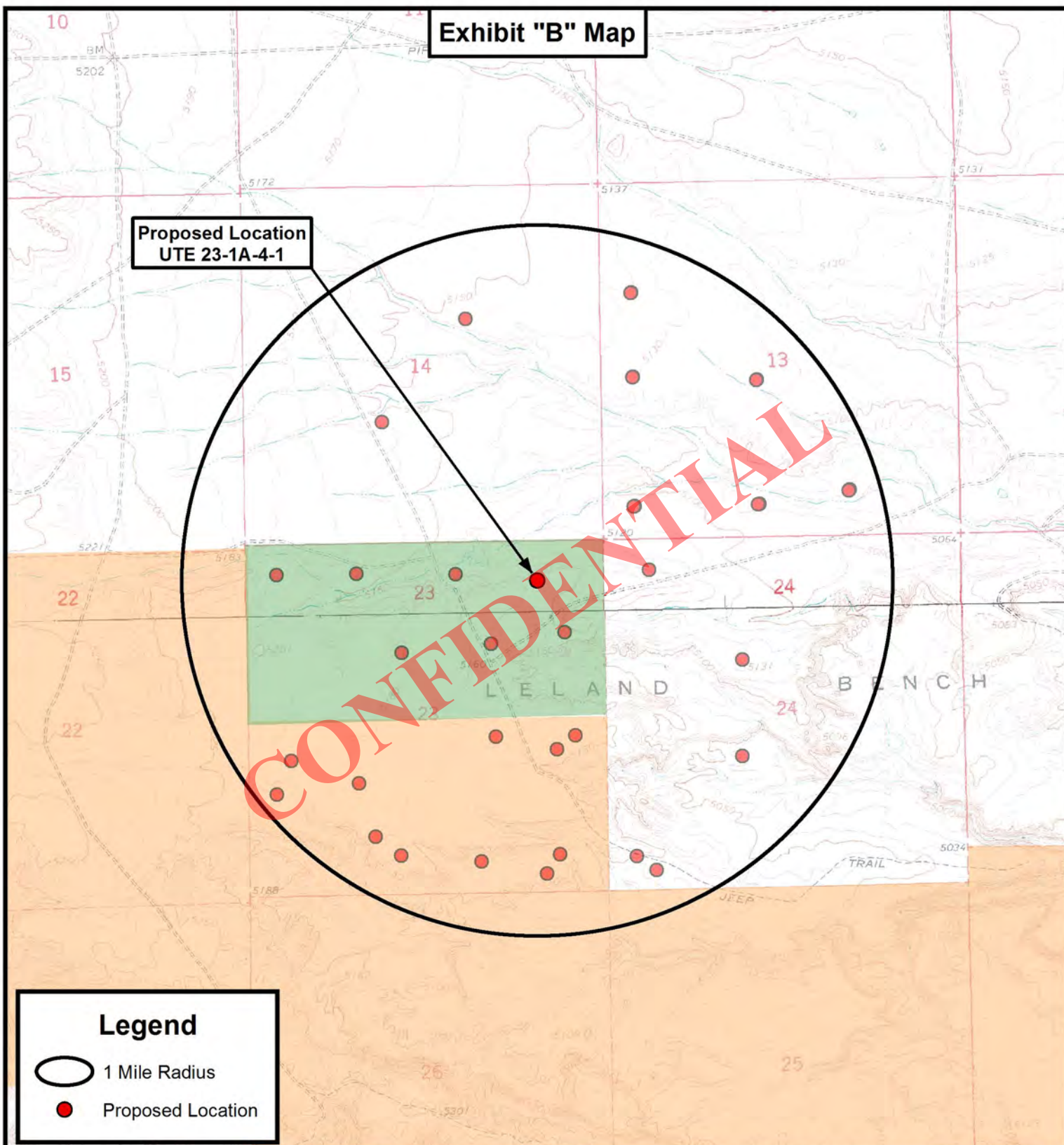
UTE 23-1A-4-1
SEC. 23, T4S, R1E, U.S.B.&M.
Uintah County, UT.

| | | | |
|-----------|-------------|----------|-----------------|
| DRAWN BY: | A.P.C. | REVISED: | 01-03-13 A.P.C. |
| DATE: | 11-06-2012 | | |
| SCALE: | 1" = 2,000' | | |

TOPOGRAPHIC MAP

SHEET

C



THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.

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FINLEY RESOURCES INC.

UTE 23-1A-4-1
SEC. 23, T4S, R1E, U.S.B.&M.
Uintah County, UT.

| | | | |
|-----------|-------------|----------|-----------------|
| DRAWN BY: | A.P.C. | REVISED: | 01-03-13 A.P.C. |
| DATE: | 11-06-2012 | | |
| SCALE: | 1" = 2,000' | | |

TOPOGRAPHIC MAP

SHEET

D

MEMORANDUM OF SURFACE USE AGREEMENT
AND GRANT OF EASEMENTS

WHEREAS, Salradus, L.L.C., Bonnie Coleman managing member, whose address is 148 West Center Street, Heber City, UT 84032, Coleman Mountain Holdings, L.L.C., Mary Jo Coleman Adamson managing member, whose address is P.O. Box 610, Roosevelt, UT 84066, Joseph N. Coleman, Trustee of the Coleman Family Trust, dated June 7, 1991, whose address is 393 East Center, Heber City, UT 84032, and Leila Coleman, Trustee of the Coleman Family Trust dated June 28, 1991, whose address is 950 South 400 East #112, St. George, UT 84770 (hereinafter collectively referred to as "Coleman"), and Uintah Resources, Inc. whose address is 3165 E. Millrock Drive, Suite 550, Salt Lake City, UT 84121 ("Optionee") (Coleman and Optionee are hereinafter collectively referred to as "Owner") and Finley Resources, Inc., whose address is P.O. Box 2200, Fort Worth, Texas, 76113 ("Operator"), have entered into that certain Easement, Right-of-Way and Surface Use Agreement, hereinafter the "SUA", dated effective April 24th, 2012 covering the following lands owned by Owner in Uintah County, Utah, to wit:

Township 4 South, Range 1 East, U.S.M.

Section 13: All

Section 16: All

Section 23: N/2

hereinafter the "Lands"

WHEREAS, in the SUA Owner grants and conveys unto Operator a non-exclusive right to enter upon and use the Lands and Owner's adjacent lands for certain oil and gas related purposes, together with a right-of-way across the Lands to maintain and construct access roads, well sites, holding tanks and other such related facilities necessary for Operators oil and gas operations.

This Memorandum of Surface and Damage Agreement shall serve as notice of the agreement covering the Lands and that the SUA is binding upon Owner and Operator's respective successors and/or assigns.

The terms and provisions of the unrecorded SUA are referred to and incorporated herein, and made a part hereof to the same extent as though set out verbatim. Should any conflict arise between the terms of this Memorandum of Surface Use Agreement and Grant of Easements and the SUA, the terms of the SUA shall control.

Executed this 24th day of April, 2012.

OWNER:

Salradus LLC Bonnie S. Coleman

Salradus, L.L.C.

Bonnie S. Coleman, managing member

148 West Center Street

Heber City, UT 84032

Coleman Mountain Holdings, L.L.C.

Mary Jo Coleman Adamson, Managing Member

P.O. Box 610

Roosevelt, UT 84066

Joseph N. Coleman
Coleman Family Trust
Joseph N. Coleman, Trustee
393 East Center
Heber City, UT 84032

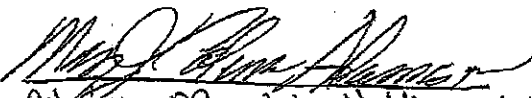
The Coleman Family Trust
Leila Coleman, Trustee
950 South 400 East #112
St. George, UT 84770

Uintah Resources, Inc.
By: Todd Dana
Its: President

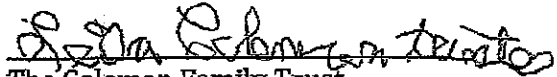
OPERATOR:


Clinton Koerth
Finley Resources Inc.
By: Clinton Koerth
Its: Vice President

CONFIDENTIAL


Coleman Mountain Holdings, L.L.C.
Mary Jo Coleman, managing member.
610 N. Mesa Circle, PO Box 610
Roosevelt, UT 84066


Coleman Family Trust
Joseph N. Coleman, Trustee
393 East Center
Heber City, UT 84032


The Coleman Family Trust
Leila Coleman, Trustee
950 South 400 East #112
St. George, UT 84770


Uintah Resources, Inc.
By: ~~Todd Dana~~ Vincent J Memmott
Its: President

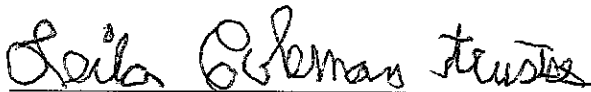
OPERATOR:

Finley Resources Inc.
By: Clinton Koerth
Its: Vice President



Coleman Mountain Holdings, L.L.C.
Mary Jo Coleman Adamson, Managing Member
P.O. Box 610
Roosevelt, UT 84066

Coleman Family Trust
Joseph N. Coleman, Trustee
393 East Center
Heber City, UT 84032



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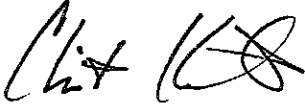
Finley Resources Inc.
By: Clinton Koerth
Its: Vice President

CONFIDENTIAL

API Well Completion 3047533800000
Weila Coleman, Trustee
950 South 400 East #112
St. George, UT 84770

Uintah Resources, Inc.
By: Todd Dana
Its: President

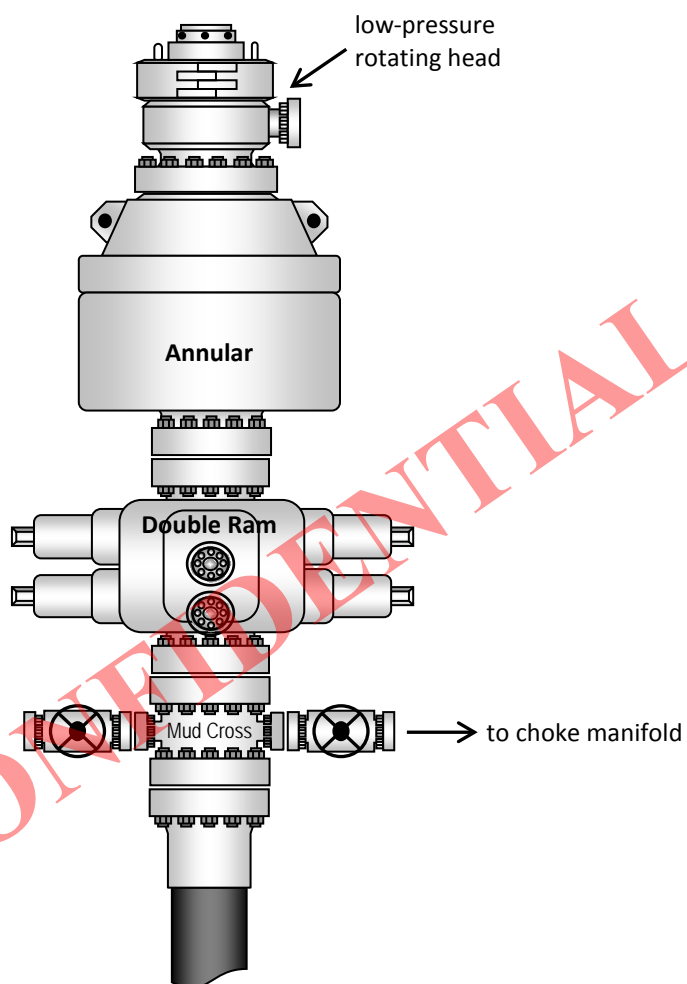
OPERATOR:

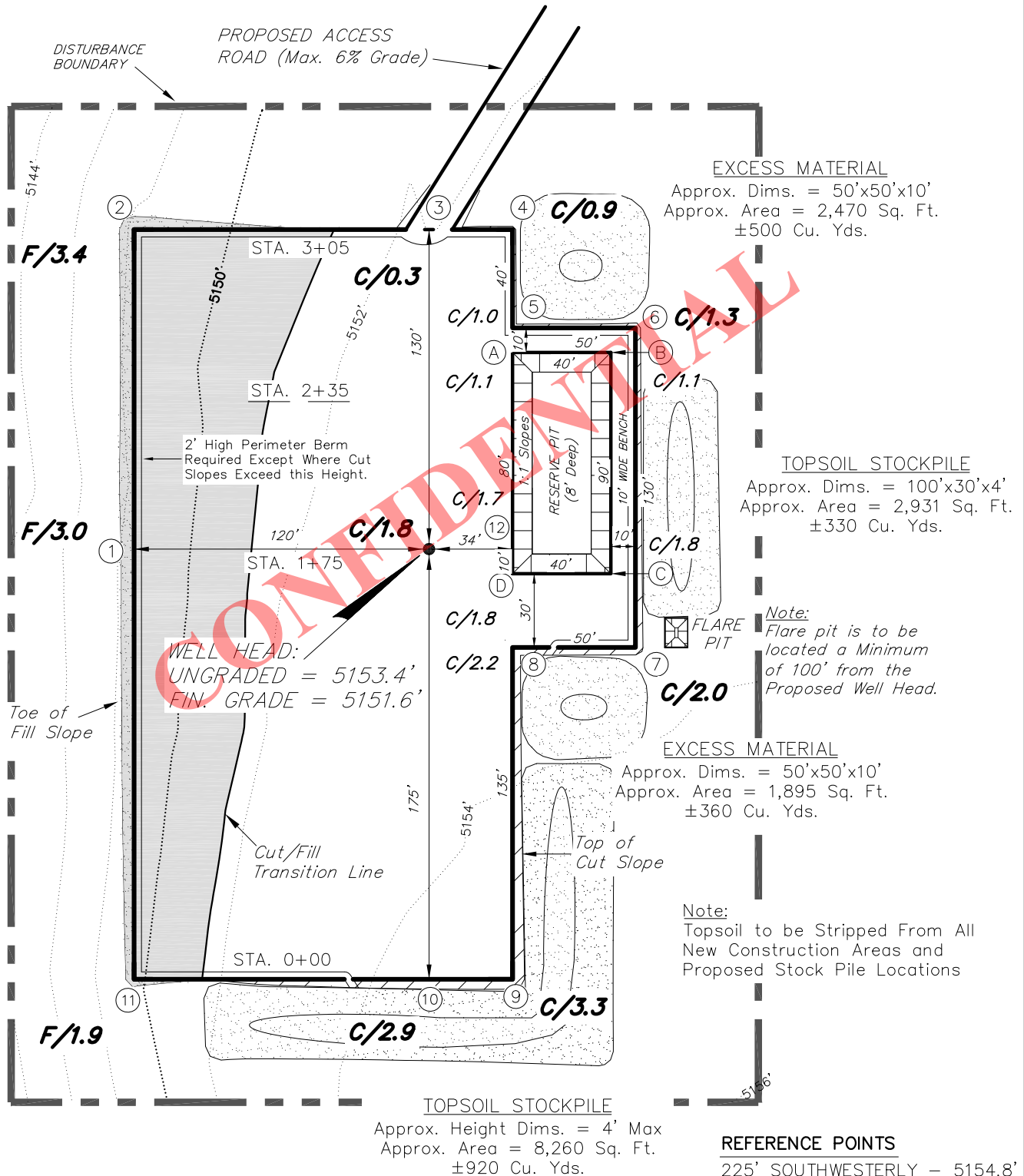
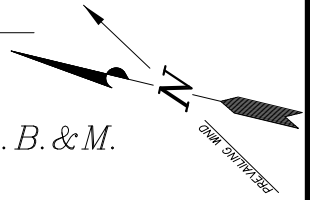


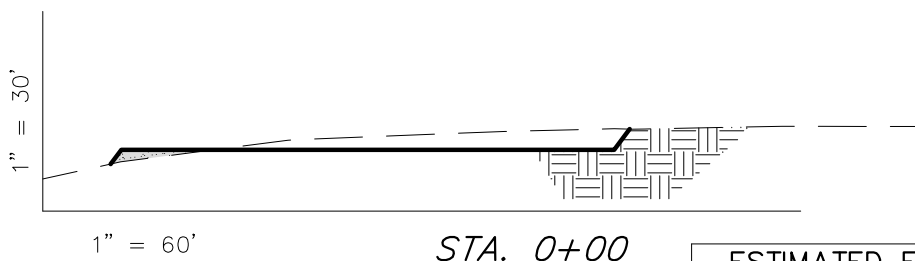
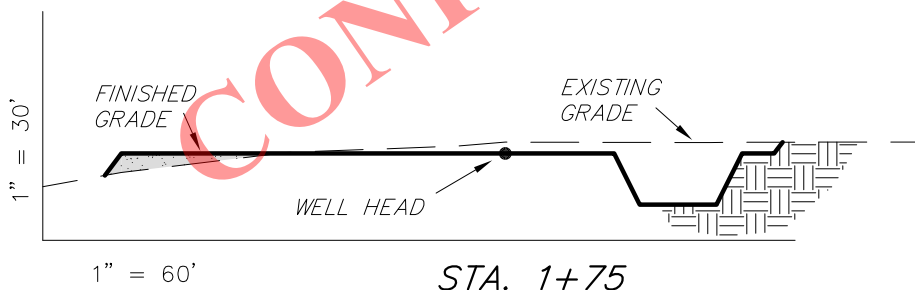
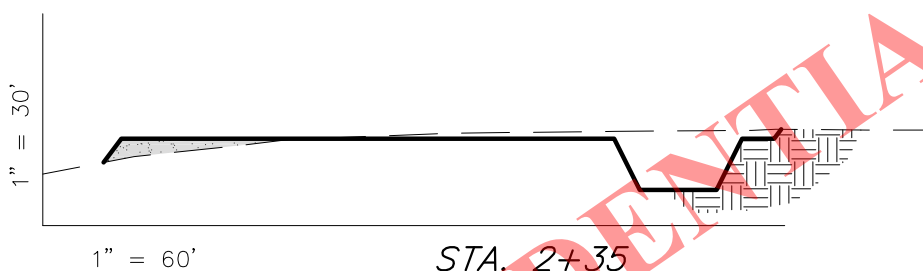
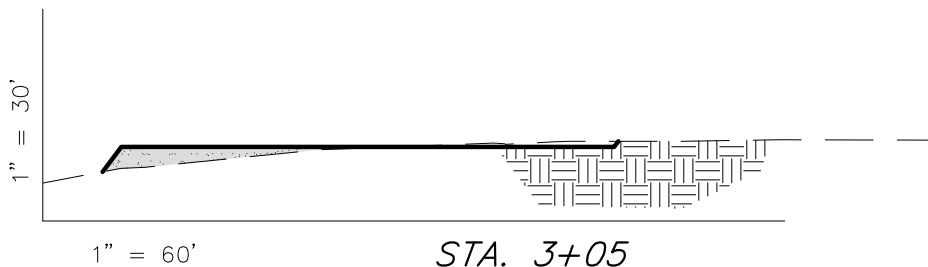
Finley Resources Inc.
By: Clinton Koerth
Its: Vice President

CONFIDENTIAL

Typical 5M BOP stack configuration



FINLEY RESOURCES INC.**PROPOSED LOCATION LAYOUT****UTE 23-1A-4-1***Pad Location: NENE Section 23, T4S, R1E, U.S.B.&M.***RECEIVED:** December 06, 2012

FINLEY RESOURCES INC.**CROSS SECTIONS****UTE 23-1A-4-1***Pad Location: NENE Section 23, T4S, R1E, U.S.B.&M.*

NOTE:
UNLESS OTHERWISE
NOTED ALL CUT/FILL
SLOPES ARE AT 1.5:1

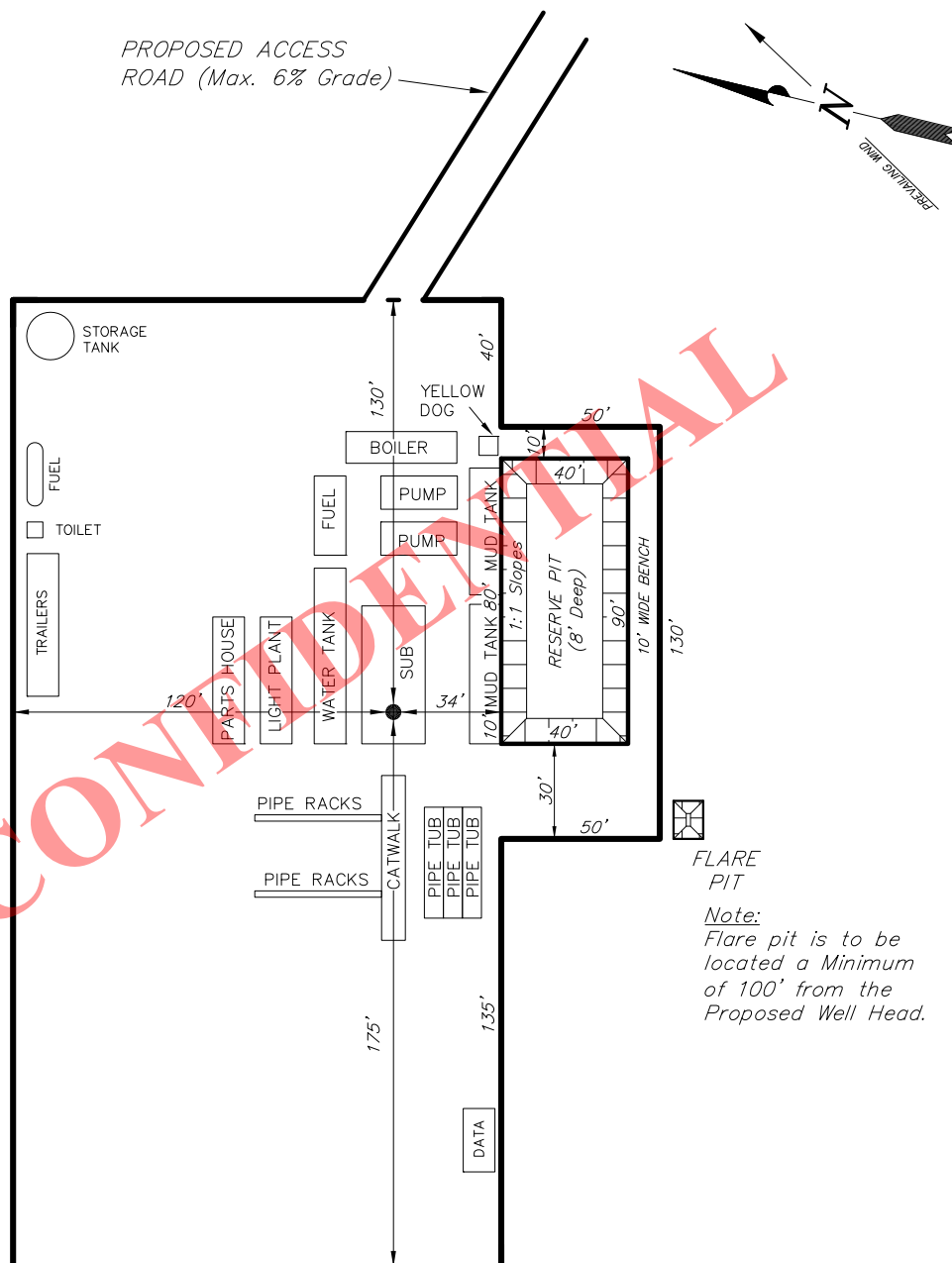
ESTIMATED EARTHWORK QUANTITIES
(No Shrink or swell adjustments have been used)
(Expressed in Cubic Yards)

| ITEM | CUT | FILL | 6" TOPSOIL | EXCESS |
|--------|-------|-------|---|--------|
| PAD | 1,240 | 1,240 | Topsoil is not included in Pad Cut Volume | 0 |
| PIT | 780 | 0 | | 780 |
| TOTALS | 2,020 | 1,240 | 1,140 | 780 |

| | | | |
|--------------|----------|----------------|---------------|
| SURVEYED BY: | Q.M. | DATE SURVEYED: | 10-01-12 |
| DRAWN BY: | L.C.S. | DATE DRAWN: | 10-26-12 |
| SCALE: | 1" = 60' | REVISED: | M.W. 01-03-13 |

Tri State (435) 781-2501
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078






RECEIVED: December 06, 2012

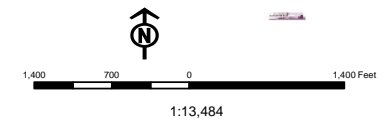
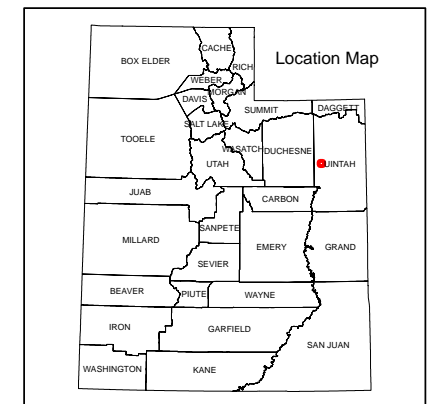
FINLEY RESOURCES INC.**TYPICAL RIG LAYOUT****UTE 23-1A-4-1***Pad Location: NENE Section 23, T4S, R1E, U.S.B.&M.*

| | | | |
|--------------|----------|----------------|---------------|
| SURVEYED BY: | Q.M. | DATE SURVEYED: | 10-01-12 |
| DRAWN BY: | L.C.S. | DATE DRAWN: | 10-26-12 |
| SCALE: | 1" = 60' | REVISED: | M.W. 01-03-13 |

Tri State
Land Surveying, Inc.
(435) 781-2501
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

RECEIVED: December 06, 2012

| Units | Wells Query |
|--|--|
| STATUS | Status |
|  ACTIVE |  APD - Approved Permit |
|  EXPLORATORY |  DRI - Spudded (Drilling Commenced) |
|  GAS STORAGE |  GIW - Gas Injection |
|  NF PP Oil |  GS - Gas Storage |
|  NF SECONDARY |  LOC - New Location |
|  PI Oil |  OPS - Operation Suspended |
|  PP GAS |  PA - Plugged Abandoned |
|  PP GEOTHERM. |  POW - Producing Gas Well |
|  PP Oil |  POW - Producing Oil Well |
|  SECONDARY |  SGW - Shut-in Gas Well |
|  TERMINATED |  SOW - Shut-in Oil Well |
| Fields STATUS |  TA - Temp. Abandoned |
|  Unknown |  TW - Test Well |
|  ABANDONED |  WDW - Water Disposal |
|  ACTIVE |  WW - Water Injection Well |
|  COMBINED |  WSW - Water Supply Well |
|  INACTIVE |  Bottom Hole Location - Oil/Gas/D |
|  STORAGE | |
|  TERMINATED | |





2580 Creekview Road
Moab, Utah 84532
435/719-2018

December 8 2012

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Exception to Spacing – Finley Resources, Inc. – **Ute 23-1A-4-1**
623' FNL & 1007' FEL, NE/4 NE/4, Section 23, T4S, R1E, USB&M
Uintah County, Utah

Dear Diana:

Finley Resources, Inc. respectfully submits this request for exception to spacing (R649-3-2) based on topography since the well is located less than 460 feet to the drilling unit boundary. Finley Resources, Inc. is the only owner and operator within 460 feet of the surface and target location as well as all points along the intended well bore path and are not within 460 feet of any uncommitted tracts or a unit boundary.

Thank you very much for your timely consideration of this application. Please feel free to contact Zachary Archer of Finley Resources, Inc. at 817-231-8759 or myself should you have any questions or need additional information.

Sincerely,

Don Hamilton
Agent for Finley Resources, Inc.

cc: Zachary Archer, Finley Resources, Inc.

RECEIVED: December 08, 2012

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator FINLEY RESOURCES INC
Well Name UTE 23-1A-4-1
API Number 43047533800000 **APD No** 7253 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NENE **Sec** 23 **Tw** 4.0S **Rng** 1.0E 623 FNL 1007 FEL
GPS Coord (UTM) **Surface Owner** Coleman Mountain Holdings, LLC

Participants

W. Civish - BLM ; J. Burns - StarPoint ; J. Simonton - Finley Resources ; D. Slaugh - Tristate;
 Scott Coleman - landowner

Regional/Local Setting & Topography

This location is on the Leland Bench in Uintah County. The region is fairly flat atop a bench with an environmentally sensitive area (Odekirk Springs and Parriette wetland) South and prime farmland miles below to the North. There was noticed some evidence of overland flow in the area but channels are rather shallow and desert shrub vegetation sparse. Fort Duchesne is 13 miles North

Surface Use Plan

Current Surface Use

Grazing

| New Road Miles | Well Pad | Src Const Material | Surface Formation |
|-----------------------|------------------------------------|---------------------------|--------------------------|
| 0 | Width 150 Length 305 | Onsite | UNTA |

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

High desert shrubland ecosystem. Expected vegetation consists of black sagebrush, shadscale, Atriplex spp., mustard spp, rabbit brush, horsebrush, broom snakeweed, Opuntia spp and spring annuals.

Dominant vegetation;

Galletta, rice grass and atriplex spp surround the proposed site.

Wildlife;

Adjacent habitat contains forbs that may be suitable browse for deer, antelope, prairie dogs or rabbits, though none were observed. Disturbed soils onsite do not support habitat for wildlife. DWR had no comment / issues

Soil Type and Characteristics

gravely clays

Erosion Issues N

n

Sedimentation Issues N**Site Stability Issues** N**Drainage Diversion Required?** N**Berm Required?** Y**Erosion Sedimentation Control Required?** N**Paleo Survey Run?** Y **Paleo Potential Observed?** N **Cultural Survey Run?** Y **Cultural Resources?** N**Reserve Pit****Site-Specific Factors****Site Ranking**

| | | |
|--|------------------|----|
| Distance to Groundwater (feet) | 100 to 200 | 5 |
| Distance to Surface Water (feet) | 200 to 300 | 10 |
| Dist. Nearest Municipal Well (ft) | >5280 | 0 |
| Distance to Other Wells (feet) | >1320 | 0 |
| Native Soil Type | Mod permeability | 10 |
| Fluid Type | Fresh Water | 5 |
| Drill Cuttings | Normal Rock | 0 |
| Annual Precipitation (inches) | | 0 |

Affected Populations**Presence Nearby Utility Conduits** Not Present 0**Final Score** 30 1 Sensitivity Level**Characteristics / Requirements**

A 40' x 80' x 8' deep reserve pit is planned in an area of cut on the South side of the location. A pit liner is required. Operator commonly uses a 16 mil liner with a felt underliner. Pit should be fenced to prevent entry by deer, other wildlife and domestic animals. A minimum freeboard of two feet shall be maintained at all times. Pit to be closed within one year after drilling activities are complete.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** N**Other Observations / Comments**

outside drilling window

Chris Jensen
Evaluator12/20/2012
Date / Time

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

| APD No | API WellNo | Status | Well Type | Surf Owner | CBM |
|------------------|---|--------|--------------------------|--------------------------------|-----|
| 7253 | 43047533800000 | LOCKED | OW | P | No |
| Operator | FINLEY RESOURCES INC | | Surface Owner-APD | Coleman Mountain Holdings, LLC | |
| Well Name | UTE 23-1A-4-1 | | Unit | | |
| Field | UNDESIGNATED | | Type of Work | DRILL | |
| Location | NENE 23 4S 1E U 623 FNL (UTM) 598490E 4442401N | | 1007 FEL | GPS Coord | |

Geologic Statement of Basis

The mineral rights for the proposed well are owned by the Ute Tribe. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cement programs.

Brad Hill
APD Evaluator

1/10/2013
Date / Time

Surface Statement of Basis

Location is proposed in a good location although outside the spacing window. Access road enters the pad from the East. The landowner was in attendance for the pre-site inspection. The soil type and topography at present do not combine to pose a significant threat to erosion or sediment/pollution transport in these regional climate conditions.

Construction standards of the Operator appear to be adequate for the proposed purpose as submitted.

I recognize no special flora or animal species or cultural resources on site that the proposed action may harm. A mapped drainage exists adjacent the pad. The location was previously surveyed for cultural and paleontological resources as the operator saw fit. I advise the operator take all measures necessary to comply with ESA and MBTA and that actions insure no disturbance to TES species that may have not been seen during onsite visit.

The location should be bermed to prevent spills from leaving the confines of the pad. Fencing around the reserve pit will be necessary once the well is drilled to prevent wildlife and livestock from entering. A synthetic liner of 16 mils (minimum) should be utilized in the reserve pit. Measures (BMP's) shall be taken to protect topsoil pile from erosion

Chris Jensen
Onsite Evaluator

12/20/2012
Date / Time

Conditions of Approval / Application for Permit to Drill

| Category | Condition |
|----------|--|
| Pits | A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit. |
| Surface | The well site shall be bermed to prevent fluids from leaving the pad. |
| Surface | The reserve pit shall be fenced upon completion of drilling operations. |

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/6/2012

API NO. ASSIGNED: 43047533800000

WELL NAME: UTE 23-1A-4-1

OPERATOR: FINLEY RESOURCES INC (N3460)

PHONE NUMBER: 435 719-2018

CONTACT: Don Hamilton

PROPOSED LOCATION: NENE 23 040S 010E

Permit Tech Review: ☒

SURFACE: 0623 FNL 1007 FEL

Engineering Review: ☐

BOTTOM: 0623 FNL 1007 FEL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 40.12616

LONGITUDE: -109.84406

UTM SURF EASTINGS: 598490.00

NORTHINGS: 4442401.00

FIELD NAME: UNDESIGNATED

LEASE TYPE: 2 - Indian

LEASE NUMBER: 14-20-H62-4902

PROPOSED PRODUCING FORMATION(S): GREEN RIVER

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- ☒ PLAT
- ☒ Bond: STATE - RLB0011294
- ☐ Potash
- ☐ Oil Shale 190-5
- ☐ Oil Shale 190-3
- ☐ Oil Shale 190-13
- ☒ Water Permit: 43-8496
- ☐ RDCC Review:
- ☒ Fee Surface Agreement
- ☐ Intent to Commingle

Commingle Approved

LOCATION AND SITING:

- ☐ R649-2-3.
- Unit:
- ☐ R649-3-2. General
- ☒ R649-3-3. Exception
- ☒ Drilling Unit
- Board Cause No: R649-3-3
- Effective Date:
- Siting:
- ☐ R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 1 - Exception Location - dmason
4 - Federal Approval - dmason
5 - Statement of Basis - bhll
23 - Spacing - dmason

RECEIVED: January 16, 2013



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: UTE 23-1A-4-1
API Well Number: 43047533800000
Lease Number: 14-20-H62-4902
Surface Owner: FEE (PRIVATE)
Approval Date: 1/16/2013

Issued to:

FINLEY RESOURCES INC , PO Box 2200, Fort Worth, TX 76113

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the GREEN RIVER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being

drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet
- Plug and abandonment of the well - contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
 - contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
 - Requests to Change Plans (Form 9) - due prior to implementation
 - Written Notice of Emergency Changes (Form 9) - due within 5 days
 - Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation

- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

A handwritten signature in black ink, appearing to read "J. Rogers", written over a horizontal line.

For John Rogers
Associate Director, Oil & Gas

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 11 2013

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM

CONFIDENTIAL

| | | |
|--|--|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. 1420H624902 |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator FINLEY RESOURCES, INC. Contact: DON S HAMILTON E-Mail: starpoint@etv.net | | 7. If Unit or CA Agreement, Name and No. |
| 3a. Address P.O. BOX 2200 FT. WORTH, TX 76113 | | 8. Lease Name and Well No. UTE 23-1A-4-1 |
| 3b. Phone No. (include area code) Ph: 435-719-2018 Fx: 435-719-2019 | | 9. API Well No. 43-847-53380 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE 623FNL 1007FEL 40.126211 N Lat, 109.844003 W Lon At proposed prod. zone NENE 623FNL 1007FEL 40.126211 N Lat, 109.844003 W Lon | | 10. Field and Pool, or Exploratory N/A |
| 14. Distance in miles and direction from nearest town or post office* 15 MILES SOUTH OF FT DUCHESNE, UTAH | | 11. Sec., T., R., M., or Blk. and Survey or Area Sec 23 T4S R1E Mer UBM |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 623 | 16. No. of Acres in Lease 640.00 | 12. County or Parish UINTAH |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 850 | 19. Proposed Depth 8000 MD 8000 TVD | 13. State UT |
| 21. Elevations (Show whether DF, KB, RT, GL, etc.) 5153 GL | 22. Approximate date work will start 01/20/2013 | 17. Spacing Unit dedicated to this well 40.00 |
| | | 20. BLM/BIA Bond No. on file RLB0011294 |
| | | 23. Estimated duration 60 DAYS |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

| | | |
|---|---|---------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) DON S HAMILTON Ph: 435-719-2018 | Date 01/08/2013 |
| Title PERMITTING AGENT | | |
| Approved by (Signature) | Name (Printed/Typed) Jerry Kenczka | Date MAY 31 2013 |
| Title Assistant Field Manager Lands & Mineral Resources | Office VERNAL FIELD OFFICE | |

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #179033 verified by the BLM Well Information System
For FINLEY RESOURCES, INC., sent to the Vernal
Committed to AFMSS for processing by ROBIN R. HANSEN on 01/15/2013 ()

NOTICE OF APPROVAL

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

| | | | |
|----------|-----------------------|------------|---------------------|
| Company: | FINLEY RESOURCE, INC. | Location: | NENESEC. 23 T4S R1E |
| Well No: | UTE 23-1A-4-1 | Lease No: | 142OH624902 |
| API No: | 43-047-53380 | Agreement: | |

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

| | |
|---|--|
| Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist) | - The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. |
| Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist) | - Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig. |
| Spud Notice (Notify BLM Petroleum Engineer) | - Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing (Notify BLM Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov . |
| BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice (Notify BLM Petroleum Engineer) | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- Paint all production facilities and equipment, not otherwise regulated (OSHA, etc.), Covert Green.
- All areas of disturbance (including surface pipelines) must have appropriate surface use agreements or approvals in place with the proper owner and/or agency before such action is started.
- The conditions of approval, as set forth by those owners and/or agencies, shall be adhered to.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- Cement for the production casing shall be brought up to a minimum of 200 feet above the surface casing shoe.
- Variances shall be granted as requested in the APD under Section 9 of the Drilling Program.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person

making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well by CD (compact disc). This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location ($\frac{1}{4}$ $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

- Unit agreement and/or participating area name and number, if applicable.
- Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

| | | | |
|----------|-----------------------|------------|---------------------|
| Company: | FINLEY RESOURCE, INC. | Location: | NENESEC. 23 T4S R1E |
| Well No: | UTE 23-1A-4-1 | Lease No: | 142OH624902 |
| API No: | 43-047-53380 | Agreement: | |

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

| | |
|---|--|
| Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist) | - The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. |
| Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist) | - Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig. |
| Spud Notice (Notify BLM Petroleum Engineer) | - Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing (Notify BLM Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov . |
| BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice (Notify BLM Petroleum Engineer) | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- Paint all production facilities and equipment, not otherwise regulated (OSHA, etc.), Covert Green.
- All areas of disturbance (including surface pipelines) must have appropriate surface use agreements or approvals in place with the proper owner and/or agency before such action is started.
- The conditions of approval, as set forth by those owners and/or agencies, shall be adhered to.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- Cement for the production casing shall be brought up to a minimum of 200 feet above the surface casing shoe.
- Variances shall be granted as requested in the APD under Section 9 of the Drilling Program.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person

making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well by CD (compact disc). This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location ($\frac{1}{4}$ $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

- Unit agreement and/or participating area name and number, if applicable.
- Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

RECEIVED

AUG 15 2013

DIV. OF OIL, GAS & MINING

SUBMIT AS EMAIL

Print Form

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator Finley Resources, Inc. Rig Name/# _____
Submitted By Jim Simonton Phone Number 435-630-1023
Well Name/Number Ute 23-1A-4-1
Qtr/Qtr SWNE Section 23 Township 4S Range 1E
Lease Serial Number 1420H624902
API Number 43-047-53380

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time _____ AM ☐ PM ☐

Casing – Please report time casing run starts, not cementing times.

- ☐ Surface Casing
- ☐ Intermediate Casing
- ☐ Production Casing
- ☐ Liner
- ☐ Other

Date/Time _____ AM ☐ PM ☐

BOPE

- ☐ Initial BOPE test at surface casing point
- ☐ BOPE test at intermediate casing point
- ☐ 30 day BOPE test
- ☐ Other

Date/Time _____ AM ☐ PM ☐

Remarks Start dirt work construction on access road and location on 8/12/13 and completed on 8/14/13

Zinley Resource Inc
4304753380
NENE S23 T04S R01E

CONFIDENTIAL

Carol: I made a mistake on the Ute 23-1A-4-1 well. I had the wrong well. It was actually to be spudded and ran into location issues and never got done. Sorry for the confusion.

My apologies,

Jim Simonton

RECEIVED

SEP 17 2013

DIV. OF OIL, GAS & MINING

SUBMIT AS EMAIL

Print Form

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator Finley Resources, Inc. Rig Name/# Pete Martin
Submitted By Jim Simonton Phone Number 435-630-1023
Well Name/Number Ute 23-1A-4-1
Qtr/Qtr NENE Section 23 Township 4S Range 1E
Lease Serial Number 14-20-H62-4902
API Number 43-047-53380

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 08/20/2013 2:00 AM ☐ PM ☒

Casing – Please report time casing run starts, not cementing times.

- ☐ Surface Casing
☐ Intermediate Casing
☐ Production Casing
☐ Liner
☒ Other

Date/Time _____ AM ☐ PM ☐

BOPE

- ☐ Initial BOPE test at surface casing point
☐ BOPE test at intermediate casing point
☐ 30 day BOPE test
☐ Other

Date/Time _____ AM ☐ PM ☐

Remarks Will spud 24 conductor hole and bucket drill to 42' and run 40' of 16" conductor and grout in & install cellar ring.

RECEIVED

AUG 19 2013

| | | |
|--|---|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-4902 |
| 1. TYPE OF WELL Oil Well | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: FINLEY RESOURCES INC | | 7. UNIT or CA AGREEMENT NAME: |
| 3. ADDRESS OF OPERATOR: PO Box 2200 , Fort Worth, TX, 76113 | | 8. WELL NAME and NUMBER: UTE 23-1A-4-1 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0623 FNL 1007 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 23 Township: 04.0S Range: 01.0E Meridian: U | | 9. API NUMBER: 43047533800000 |
| PHONE NUMBER: 817 231-8735 Ext | | 9. FIELD and POOL or WILDCAT: UNDESIGNATED |
| COUNTY: UINTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/15/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/> </div> </div> | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Finley Resources, Inc. requests a one year drilling permit extension for the referenced well. This is the first extension that has been requested. | | |
| <div style="color: red; font-weight: bold;"> Approved by the Utah Division of Oil, Gas and Mining </div> <div style="color: red; font-weight: bold;"> Date: January 13, 2014 By: </div> | | |
| NAME (PLEASE PRINT) Don Hamilton | PHONE NUMBER 435 719-2018 | TITLE Permitting Agent (Star Point Enterprises, Inc.) |
| SIGNATURE N/A | DATE 1/9/2014 | |



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047533800000

API: 43047533800000

Well Name: UTE 23-1A-4-1

Location: 0623 FNL 1007 FEL QTR NENE SEC 23 TWP 040S RNG 010E MER U

Company Permit Issued to: FINLEY RESOURCES INC

Date Original Permit Issued: 1/16/2013

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Don Hamilton

Date: 1/9/2014

Title: Permitting Agent (Star Point Enterprises, Inc.) Representing: FINLEY RESOURCES INC

| | | |
|--|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-4902 |
| 1. TYPE OF WELL Oil Well | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: FINLEY RESOURCES INC | | 7. UNIT or CA AGREEMENT NAME: |
| 3. ADDRESS OF OPERATOR: PO Box 2200 , Fort Worth, TX, 76113 | | 8. WELL NAME and NUMBER: UTE 23-1A-4-1 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0623 FNL 1007 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 23 Township: 04.0S Range: 01.0E Meridian: U | | 9. API NUMBER: 43047533800000 |
| PHONE NUMBER: 817 231-8735 Ext | | 9. FIELD and POOL or WILDCAT: WINDY RIDGE |
| COUNTY: UINTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> ALTER CASING | |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CASING REPAIR | |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 11/12/2014 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | |
| | <input type="checkbox"/> CHANGE TUBING | |
| | <input type="checkbox"/> CHANGE WELL STATUS | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | |
| | <input type="checkbox"/> CONVERT WELL TYPE | |
| | <input type="checkbox"/> DEEPEN | |
| | <input type="checkbox"/> FRACTURE TREAT | |
| | <input type="checkbox"/> NEW CONSTRUCTION | |
| | <input type="checkbox"/> OPERATOR CHANGE | |
| | <input type="checkbox"/> PLUG AND ABANDON | |
| | <input type="checkbox"/> PLUG BACK | |
| | <input checked="" type="checkbox"/> PRODUCTION START OR RESUME | |
| | <input type="checkbox"/> RECLAMATION OF WELL SITE | |
| | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | |
| | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | |
| | <input type="checkbox"/> TEMPORARY ABANDON | |
| | <input type="checkbox"/> TUBING REPAIR | |
| | <input type="checkbox"/> VENT OR FLARE | |
| | <input type="checkbox"/> WATER DISPOSAL | |
| | <input type="checkbox"/> WATER SHUTOFF | |
| | <input type="checkbox"/> SI TA STATUS EXTENSION | |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 01, 2014 | | |
| NAME (PLEASE PRINT) April Wilkerson | PHONE NUMBER 817 231-8735 | TITLE Reg & Enviro Analyst |
| SIGNATURE N/A | DATE 9/30/2014 | |

UTE 23 1A-4-1 1/12/2014 1 MIRU Capstar #328. NU BOP and related equipment. Safety mtg..and test BOPE to 3000# and csg.to 1500#. Install wear bshg.. RS. Rig repair--replace boom clamp arm. PU BHA and tag cement at 383'. Drill cement and shoe from 383' to 516'. Drill new hole from 516-1027'. 1027 3

UTE 23 1A-4-1 1/13/2014 2 Drill from 1027 to 4103'. Surveys (6). RS and function test . 3076 20.5

UTE 23 1A-4-1 1/14/2014 3 Drill from 4103 to 6167'. Surveys (5). RS and function test BOP's . 6167 21

UTE 23 1A-4-1 1/15/2014 4 Drill from 6167 to TD of 7500'. TD well at 11:00PM on 1/14/14. Surveys (2). RS and function test rams. Circ.at TD for any shows and circ.10# brine high vis sweep. Check for flow and start to LDDP. . 7500 15.5

UTE 23 1A-4-1 1/16/2014 5 Lay down BHA and DP. Safety mtg.and RU Halliburton and run OH logs with DTD=7500'. RD loggers. Pull wear bshg.. RU and ran 177 jts.of new 5-1/2" 15.5# LT&C J-55 csg.and land shoe at 7497'. Washed 190' to bottom and tag bottom at 7500' prior to landing. . Circ.and waiting to repair Halliburton pump truck and have another truck on the way. Having electrical troubles. . 7500 0

UTE 23 1A-4-1 1/17/2014 6 Repair Halliburton cement truck. Safety mtg.and cement prod.csg.with 400 sxs.of 10.5 ppg lead cement and 700 sxs.of 12 ppg tail cement and wash up and drop plug and displace with 177 bbl.of cla-sta water with a final circ.psi of 1400# and bump plug with 1900# and floats held. Bump plug at 1:00PM on 1/16/14. Remove landing jt.and pack off and test head to 5M#--OK. ND and clean pits. Release rig at 6:00PM on 1/16/14. RD Capstar #328---Final report of drilling operations. RDUFA.. 7500 0

Completion/Workover Reports

UTE 23 1A-4-1 8/14/2013 On PM of 8/13/13 location and pit are 80% complete with dirt construction. Will continue to build location on 8/14/13.

UTE 23 1A-4-1 8/15/2013 On 8/14/13 finished dirt work for location. RDUFA.

UTE 23 1A-4-1 8/21/2013 On 8/20/2013 MIRU Pete Martin bucket rig. Bucket drill a 24" conductor hole to 42'. Ran 40' of 16" conductor and grout in. Too rocky to install cellar ring. RDMO Pete Martin. RDUFA.

UTE 23 1A-4-1 9/16/2013 On 9/15/13 MIRU Pete Martin rat hole rig. Bucket drill 24" hole to 42'. Set 40' of 16" conductor and grout in. RDMO Pete Martin. RDUFA

UTE 23 1A-4-1 12/29/2013 On 12/27/13 PM and 12/28/13 MIRU Pro-Petro air mist rig. Spud 12-1/4" surface hole at 4:00PM on 12/27/13 and air mist drill to 200'. SDFN. Resume air mist drilling to 510' on 12/28/13. POOH and LDDP. RIH with 12 jts.of new 8-5/8" 24# ST&C J-55 csg.with 5 centralizers and baffle plate. Land shoe at 504' and baffle at 460'. RU Pro-Petro cementers and cement surface csg.with 40 bbl.of gel water, 10 bbl.water followed by 360 sxs.of "G" with 1/4# flocele and 2% CaCl and drop plug and displace with 27 bbl.of water. Bump plug at 1:30PM on 12/28/13 and SI the well. Had est.60 sxs.of good cement to surface. RDUFA.

UTE 23 1A-4-1 2/17/2014 On 2/5/14 MIRU Cutters WL. Ran a CBL/VDL/GR log from tag at 7419' to surface. Correlated to the Halliburton Density log dated 1/15/14. Top of lead cement est.at 260' with top of tail cement est.at 2100'. RDMO Cutters WL. RDUFA.

UTE 23 1A-4-1 5/8/2014 On 5/7/14 MIRU The Perforators and perforate the following Wasatch/Uteland Butte intervals as follows per the Halliburton Density log dated 1/15/14 at 4 JPF and 90* phasing using a 3-3/8" csg.gun: 6941-43'; 6950-52'; 6998-7004' & 7061-63' (48 holes). No pressure prior to or after perforating. The frac head had been installed previously and frac head and csg.tested to 3800# and held OK. On 5/9/14 will start frac work.

UTE 23 1A-4-1 5/9/2014 Ute 23-1A-4-1: Completion work done on 5/8/14 for 5/9/14 report: On AM of 5/8/14 MIRU The Perforators and Weatherford frac crew. Zone #1: Wasatch/Uteland Butte gross interval 6941-7063'. SICP=215#. Frac this zone using a 25# x-link gel water system with 1000 gal.of 15% HCL acid and 80M# of 20/40 mesh sand and a total load of 1188 bbl..Max.rate=59; Ave=56 BPM; Max.psi=3970#; Ave=3441#; ISIP=2560# (.80). Set a comp.frac plug at 6910'. Zone #2: Perforate the following Uteland Butte/Castle Peak intervals at 3 JPF and 120* phasing with a 3-3/8" csg.gun per the Density log dated 1/15/14: 6692-94'; 6710-12'; 6735-37'; 6752-54'; 6800-02'; 6853-55'; 6860-62'; 6874-76' & 6883-85' (54 holes). Frac this system with a 25# HYBRID system using 1500 gal.of 15% HCL and 80M# of 20/40 sand and a total load of 1545 bbl..Max.rate=66; Ave=61 BPM; Max.psi=3465#; Ave=2858#; ISIP=2010# (.74). Set a frac plug at 6650'. Zone #3: Perforate per the above gun and log the following Black Shale/Castle Peak intervals: 6286-88'; 6310-14'; 6419-21'; 6435-37' & 6572-74' (36 holes). Frac this interval with 1500 gal.of 15% acid and a 25# HYBRID system with 101M# of 20/40 sand and a total load of 1778 bbl..Max.rate=61.5; Ave=59.6; Max.psi=3605#; Ave=3070#; ISIP=1995# (.72). Set a frac plug at 6200'. Zone #4: Perforate per the above gun and log the following Douglas Creek intervals: 5716-20' & 5966-70' (24 holes). Frac this interval using a 20# x-link gel system and 79M# of 20/40 sand and a total load of 1059 bbl..Max.rate=61; Ave=59 BPM; Max.psi=3408#; Ave=2870#; ISIP=1699# (.72); Set a frac plug at 5400'. Zone #5: Perforate per the above gun and log the following Garden Gulch intervals: 5069-73'; 5116-18' & 5198-5200' (24 holes). Frac this interval with a 20# x-link gel water system with 59M# of 20/40 sand and a total load of 768 bbl..Max.rate=63; Ave=62 BPM; Max.psi=3018#; Ave=2704#; ISIP=1448# (.71). Set a frac plug at 5020'. Zone #6: Perforate per the above gun and log the following Mahogany Bench/Garden Gulch intervals: 4914-17'; 4952-55' & 4984-87' (27 holes). Frac this interval with a 20# x-link gel water system using 50M# of 20/40 mesh sand and a total load of 659 bbl..Max.rate=63; Ave=62 BPM; Max.psi=3705#; Ave=2580#; ISIP=1606# (.76). Total load to recover is 7175 bbl.. After a 3 hour SI period SICP=900# at 8:30PM on 5/8/14. Flow the csg.on various chokes overnight and at 6:00AM on 5/9/14 FCP=650# on a 20/64" choke flowing at the rate of 90 bbl.of water per hour with light to med.sand and no oil or gas. Have recovered a total of 1050 bbl.of water with a load to rec.=6125 bbl..Continue to flow to clean up.

UTE 23 1A-4-1 5/11/2014 On 5/9/14 continue to flow back the well following frac work. Flowed the well on a final 2" line until 6:00PM on 5/9/14 when the well was SI with a final flow rate of 15 bbl.per hour with 0# FCP and a 5% oil cut the last 3 hours with no gas or sand and a final cumulative of 2100 bbl.of water flowed back with a 29% rec.and a LLR=5075 bbl..SI the well. The well will remain Si until AM on Monday AM on 5/12/14 when the completion rig will move in.

UTE 23 1A-4-1 5/13/2014 On 5/12/14 MIRU Monument WS. SICP=100#. MIRU The Perforators WL and set a comp.BP at 4800'. Bled off the well and RDMO WL. ND frac head and NU BOP's. Tally and rabbit in the hole with a 4-5/8" mill and pump off bit sub assembly to 4780' with new 2-7/8" tbg..SIFN. On 5/13/14 will start to drill out plugs.

UTE 23 1A-4-1 5/14/2014 On 5/13/14 est.circ.with 2% KCL water. Drill out comp.BP at 4800' and took a 200# increase. Continue in the hole and drill out frac plugs at 5020'; 5400'; 6200'; 6650' and 6920'. No sand on any plugs. Cont.in the hole and tag PBTD at 7200'. Spot rat hole chemical. Pull mill to 5535' and SIFN. On 5/14/14 will finish POOH with mill and run production tbg..

UTE 23 1A-4-1 5/15/2014 On 5/14/14 SITP=0# with float in string and SICP=100#. Bled off and POOH with tbg.to 2000' and csg.flowing. Pump 30 bbl.of brine down the csg..Finish POOH with tbg.and mill. RIH with production tbg..Had to pump 40 bbl.of brine and 30 bbl.of KCL water to keep tbg.dead. Set TAC at 4858' with 12M# tension. ND BOP's and NUWH. Change over to rod equipment. SIFN. On 5/15/14 will run rods and pump and RD completion rig.

UTE 23 1A-4-1 5/16/2014 On 5/15/14 SICP=100# and SITP=0#. Flush tbg.with 50 bbl.of hot KCL water followed by 20 bbl.of brine water.Bucket test new pump and RIH with rods and pump. Seat pump and long stroke to 800#--OK. Clamp off rods 12" off tag. RDMO Monument WS. Final report of well completion. Turn well over to production department. Tbg.Detail: Bull plug (0.73); 4 jts.of tbg.(129.86'); Perf.sub (4.04'); SN=(1.1'); 17 jts.of tbg.(552.46'); TAC with 12M# tension (2.73'); 149 jts.tbgs.(4841.42'); Stretch=(1.1'); KB=(13').Tbg.tail at 5546'; SN=5412'; TAC=4858'. Pump: 2-1/2"x1-3/4"x16' RHAC ---no dip tube. Rods: 11-4"x1" stabilizers; 10-1-1/2" sinker bars; 10-3/4" guided rods; 107-3/4" slick rods; 85-7/8" plain rods; 1-8'; 6'; 4'; 2'x7/8" pony rods.

FINLEY RESOURCES, INC. NOTIFICATION FORM—STATE, UTE TRIBE, BIA.BLM

OPERATOR: FINLEY RESOURCES, INC.

RIG NAME: Pro-Petro

SUBMITTED BY: JIM SIMONTON

PHONE #: 435-630-1023

WELL NAME/NUMBER: Ute 23-1A-4-1

QTR/QTR: NENE

SEC.: 23

T:

4S

R: 1E

LEASE SN: 14-20-H62-4902

API #: 43-047-53380

CONFIDENTIAL

CONDUCTOR SPUD NOTICE: DATE: 9/14/13

TIME: 8:00AM

SURFACE SPUD NOTICE: DATE: 12/27/13

TIME: 2:00PM

SURFACE CSG.CEMENT NOTICE: DATE: 12/28/13

TIME: 10:00AM

NOTE: Update again!

REMARKS: UPDATE: On 12/27 and 12/28/13 air mist 12-1/4" surface hole to 510'. Ran 12 jts.of new 8-5/8" 24# ST&C csg.to 504' with baffle plate at 460' and used 5 centralizers. RU Pro-Petro cementers and cement with 360 sxs.of 15.8 ppg "G" cement with ¼# flocele and 2% CaCl and displace plug with 28 bbl.of water. Had est.60 sxs.of good cement to surface and hole standing full. Bump plug at 1:30PM on 12/28/13. RDUFA.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGAMENDED REPORT ☐ FORM 8
(highlight changes)

| | | | | | | | | | |
|---|----------------|--|-----------|--|---|--|---------------------|---|-----------------------------------|
| WELL COMPLETION OR RECOMPLETION REPORT AND LOG | | | | | | 5. LEASE DESIGNATION AND SERIAL NUMBER: | | | |
| | | | | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME | | | |
| 1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ | | | | | | 7. UNIT or CA AGREEMENT NAME | | | |
| b. TYPE OF WORK: NEW WELL <input type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____ | | | | | | 8. WELL NAME and NUMBER: | | | |
| 2. NAME OF OPERATOR: | | | | | | 9. API NUMBER: | | | |
| 3. ADDRESS OF OPERATOR: CITY _____ STATE _____ ZIP _____ | | | | | PHONE NUMBER: | 10 FIELD AND POOL, OR WILDCAT | | | |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH: | | | | | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: | | | |
| | | | | | | 12. COUNTY | | 13. STATE | |
| | | | | | | | | UTAH | |
| 14. DATE SPUDDED: | | 15. DATE T.D. REACHED: | | 16. DATE COMPLETED: ABANDONED <input type="checkbox"/> READY TO PRODUCE <input type="checkbox"/> | | 17. ELEVATIONS (DF, RKB, RT, GL): | | | |
| 18. TOTAL DEPTH: MD _____ TVD _____ | | 19. PLUG BACK T.D.: MD _____ TVD _____ | | 20. IF MULTIPLE COMPLETIONS, HOW MANY? * | | 21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____ | | | |
| 22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) | | | | | 23. WAS WELL CORED? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit copy) | | | | |
| 24. CASING AND LINER RECORD (Report all strings set in well) | | | | | | | | | |
| HOLE SIZE | SIZE/GRADE | WEIGHT (#/ft.) | TOP (MD) | BOTTOM (MD) | STAGE CEMENTER DEPTH | CEMENT TYPE & NO. OF SACKS | SLURRY VOLUME (BBL) | CEMENT TOP ** | AMOUNT PULLED |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 25. TUBING RECORD | | | | | | | | | |
| SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) | |
| | | | | | | | | | |
| 26. PRODUCING INTERVALS | | | | | 27. PERFORATION RECORD | | | | |
| FORMATION NAME | TOP (MD) | BOTTOM (MD) | TOP (TVD) | BOTTOM (TVD) | INTERVAL (Top/Bot - MD) | SIZE | NO. HOLES | PERFORATION STATUS | |
| (A) | | | | | | | | Open <input type="checkbox"/> | Squeezed <input type="checkbox"/> |
| (B) | | | | | | | | Open <input type="checkbox"/> | Squeezed <input type="checkbox"/> |
| (C) | | | | | | | | Open <input type="checkbox"/> | Squeezed <input type="checkbox"/> |
| (D) | | | | | | | | Open <input type="checkbox"/> | Squeezed <input type="checkbox"/> |
| 28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC. | | | | | | | | | |
| DEPTH INTERVAL | | AMOUNT AND TYPE OF MATERIAL | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 29. ENCLOSED ATTACHMENTS: | | | | | | | | 30. WELL STATUS: | |
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | | | | <input type="checkbox"/> GEOLOGIC REPORT | | <input type="checkbox"/> DST REPORT | | <input type="checkbox"/> DIRECTIONAL SURVEY | |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | | | | <input type="checkbox"/> CORE ANALYSIS | | <input type="checkbox"/> OTHER: _____ | | | |

31. INITIAL PRODUCTION**INTERVAL A (As shown in item #26)**

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL B (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL C (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL D (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)**33. SUMMARY OF POROUS ZONES (Include Aquifers):**

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name | Top (Measured Depth) |
|-----------|----------|-------------|------------------------------|------|----------------------|
| | | | | | |

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) _____ TITLE _____

SIGNATURE _____ DATE _____

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940